

2004 Strategic Master Plan for Higher Education: Draft Interim Plan



HECB Draft
October 30, 2003

W A S H I N G T O N
H I G H E R
EDUCATION
C O O R D I N A T I N G B O A R D

Outline of interim strategic plan

- I. Overview of key recommendations
- II. The higher education mission
- III. Goals for higher education:
 - 1. Increase opportunities for students to earn degrees
 - 2. Respond to state's economic needs
- IV. Strategies to achieve goals
- V. Governance and accountability

I. Overview of key recommendations

The 2004 strategic master plan will support better-educated residents and a more prosperous state by enhancing opportunities for students and colleges to succeed. By 2010, the plan would:

- Increase by about 20% the total number of students who earn college degrees and complete job training each year
- Expand opportunities in high-demand fields whose graduates meet the needs of Washington businesses and communities
- Allow institutions to pursue state-supported research and to develop innovative strategies to address regional challenges and meet public expectations
- Improve management by consolidating three state higher education agencies into a strong statewide governing board

II. The higher education mission

“The mission of Washington’s higher education system is to support the economic, cultural and civic vitality of the state through education, research and public service to provide tangible benefits to residents, businesses and communities.”

A vision for higher education

- Washington's higher education system should strengthen the state's economic competitiveness through education and training for Washington residents
- State policies should support efficient graduation and completion, and broad participation in college
- State investments should promote a full range of opportunities, from basic skills instruction to job training to college degrees of all types
- State government, public colleges and universities, and students should all be accountable for performance outcomes

Core values reflected in the interim plan

- All students, regardless of their income, race, ethnicity or personal background, deserve the opportunity to enroll and succeed in college
- Our entire society benefits from a strong higher education system, so everyone should share the responsibility for its quality
- The needs and interests of students should be at the center of higher education decision-making

III. Goals for higher education

Goal 1: Increase opportunities for students to earn degrees

By 2010:

- The number of students who earn bachelor's degrees will increase by 5,500 to reach 30,000 per year
- The number of students who earn associate's degrees will increase by 3,500 to reach 23,500 per year
- The number of students who earn graduate and professional degrees will increase by 2,000 to reach 11,500 per year

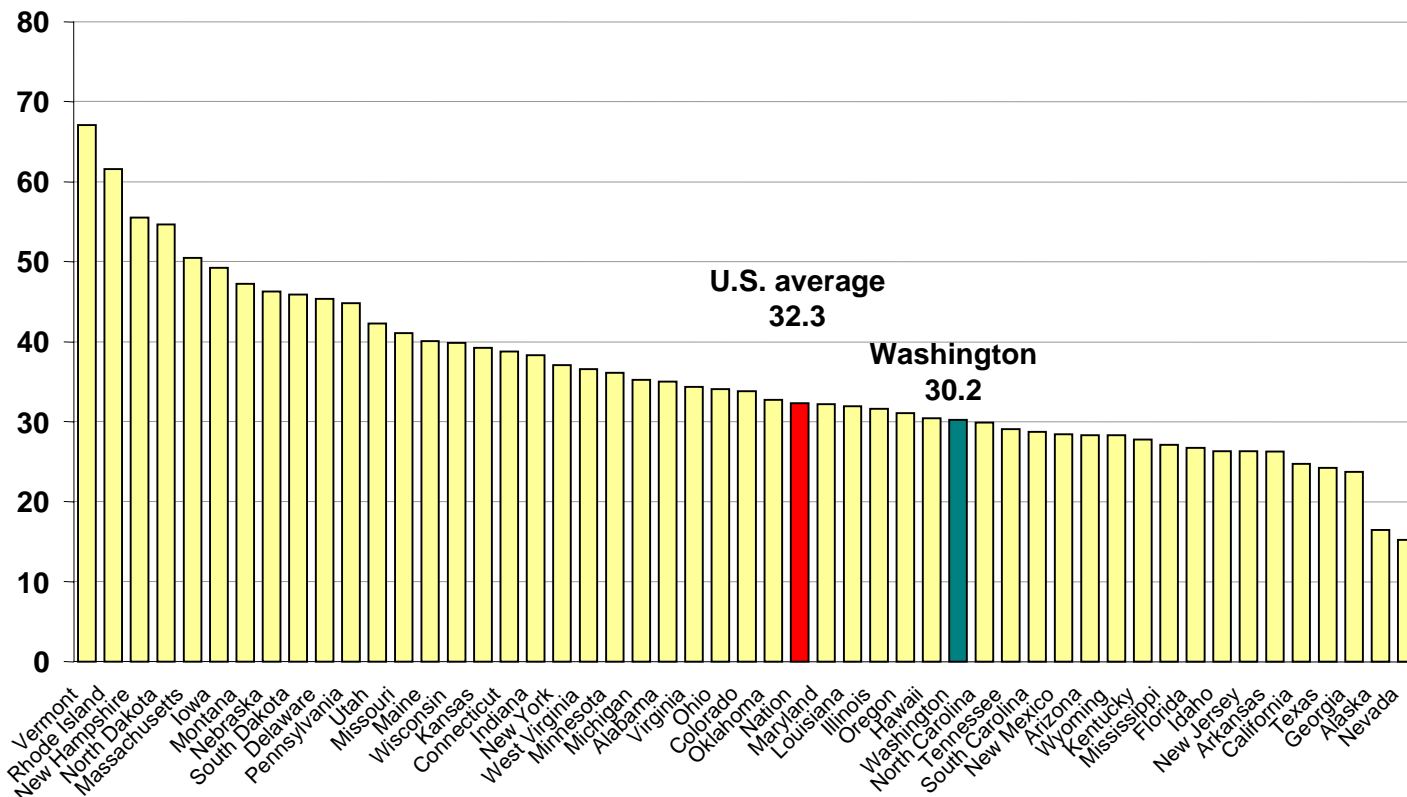
Goal 1:

Increase opportunities for students to earn degrees

- **Why do college degrees matter?**
 - Benefits for communities and the state: Lower poverty rates, increased civic participation, greater tax contributions, a stronger economy
 - Benefits for individuals: Higher income, less unemployment, better quality of life
- **Why is an increase of this magnitude needed?**
 - It responds to economic needs, keeps pace with population growth, and addresses important educational and cultural needs

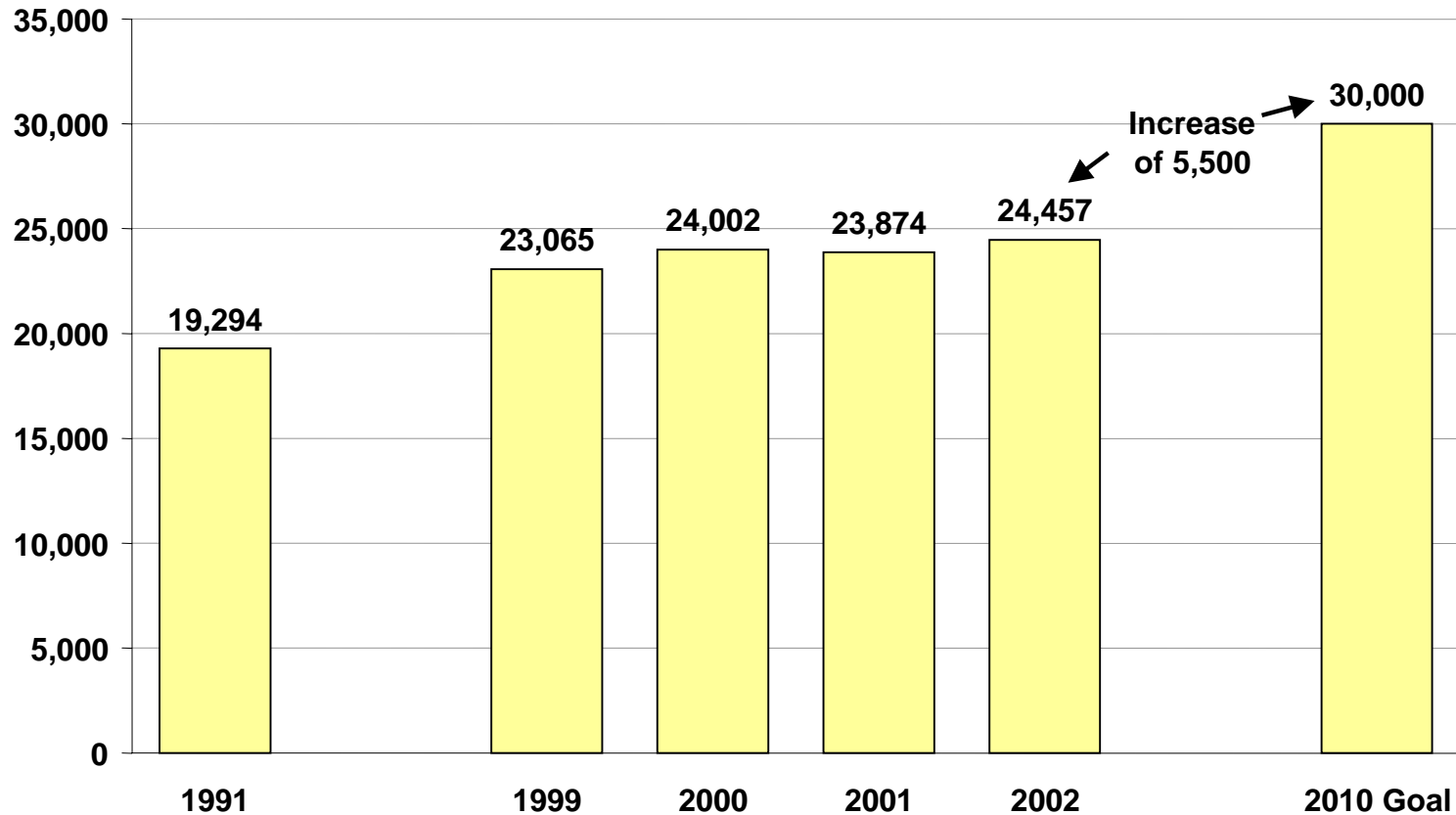
Washington ranks 33rd among the states in the number of bachelor's degrees earned

Bachelor's degrees earned per 1,000 residents ages 20-29 years old
2000



To reach the national average by 2010 will require an additional 5,500 bachelor's degrees per year

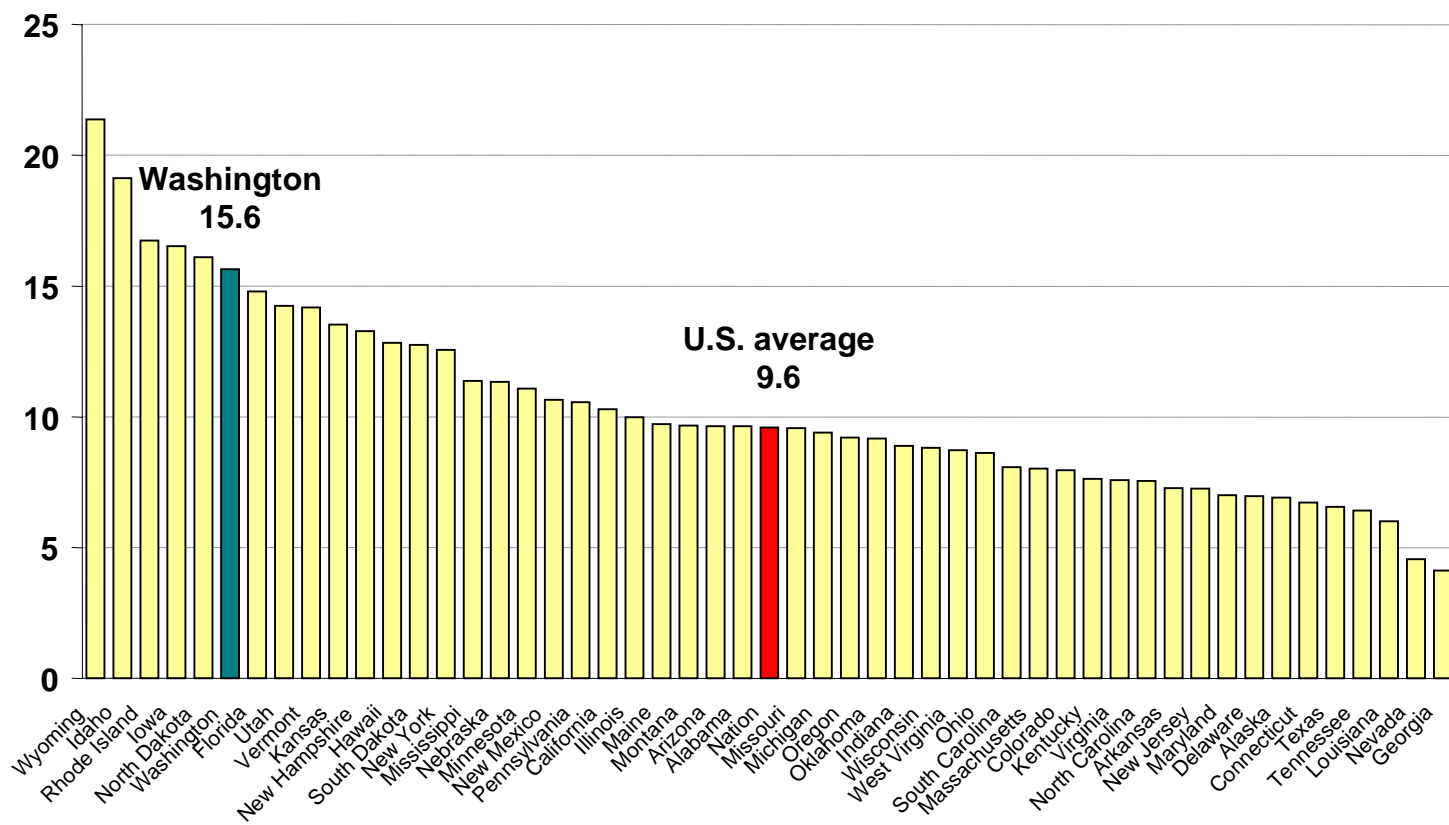
Number of bachelor's degrees earned in Washington
(public and private institutions)



Source: IPEDS; Goal based on increasing degrees earned from 30.2 to 32.3 per 1,000 residents ages 20-29 and the number of residents aged 20-29 increasing by 18%

Washington ranks 6th among the states in the number of associate's degrees earned

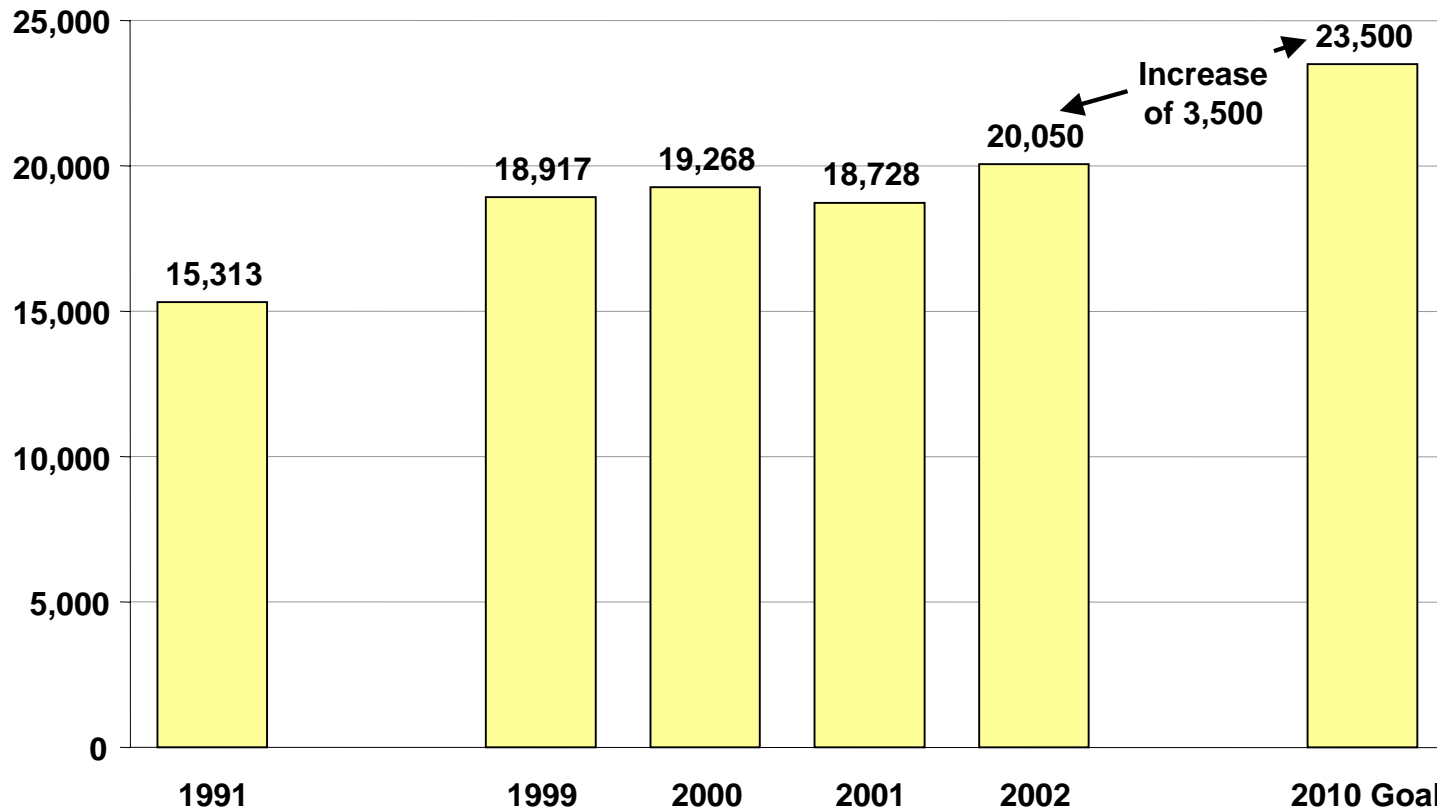
Associate's degrees earned per 1,000 residents ages 20-34 years old
2000



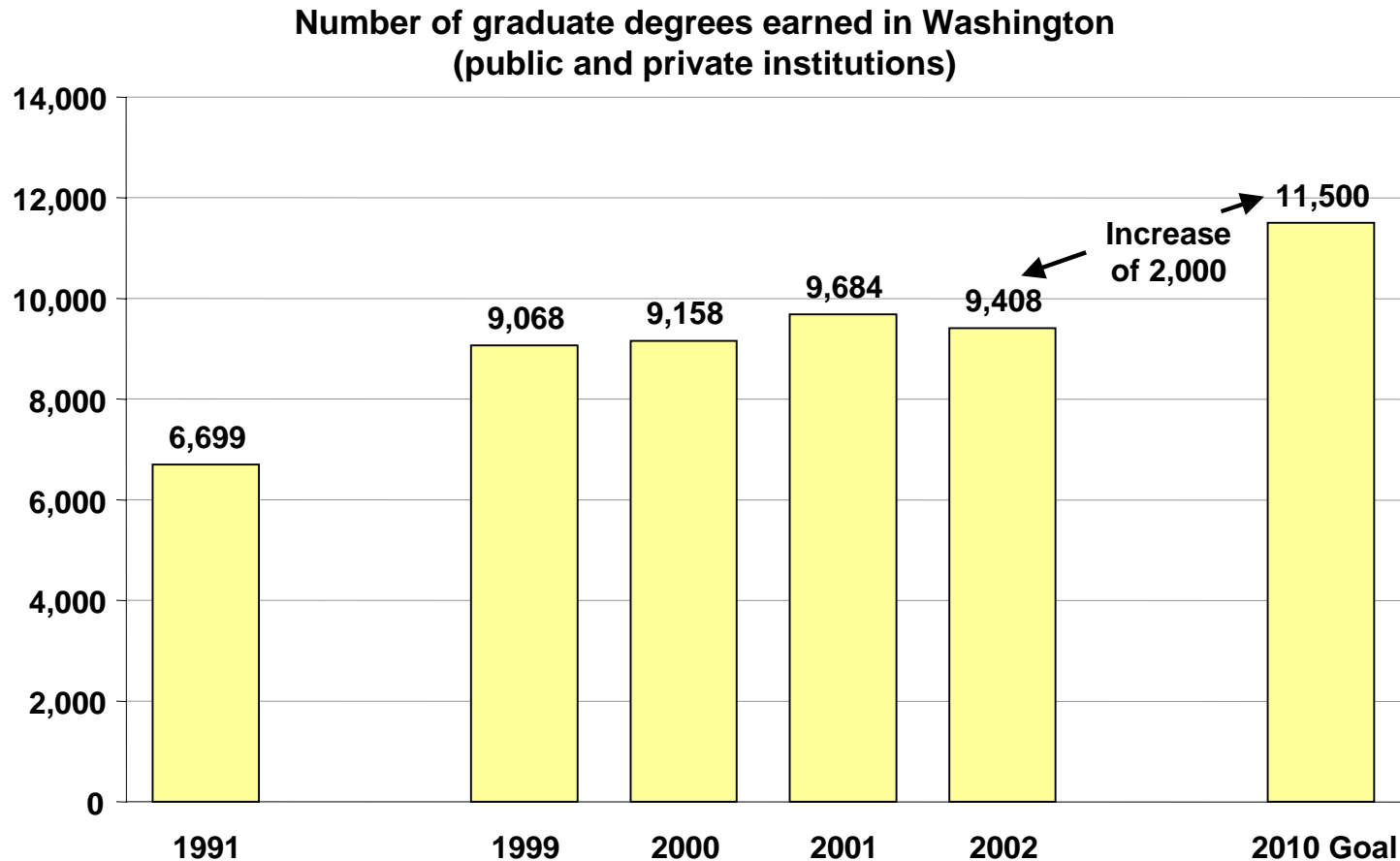
Source: IPEDS and Census

To maintain a strong community college system will require an additional 3,500 associate's degrees per year by 2010

Number of associate's degrees earned in Washington
(public and private institutions)



To maintain the ratio between graduate degrees and bachelor's degrees earned will require an additional 2,000 graduate degrees per year by 2010



III. Goals for higher education

Goal 2: Respond to the state's economic needs

- Increase enrollment opportunity and the number of students who earn degrees in high-demand fields that support state and regional priorities
- Increase state funding for university research linked to state economic development objectives
- Increase the number of students who complete job training programs by 18% to reach 25,000 per year
- Increase from 50% to 80% the proportion of basic skills students who demonstrate skill gains

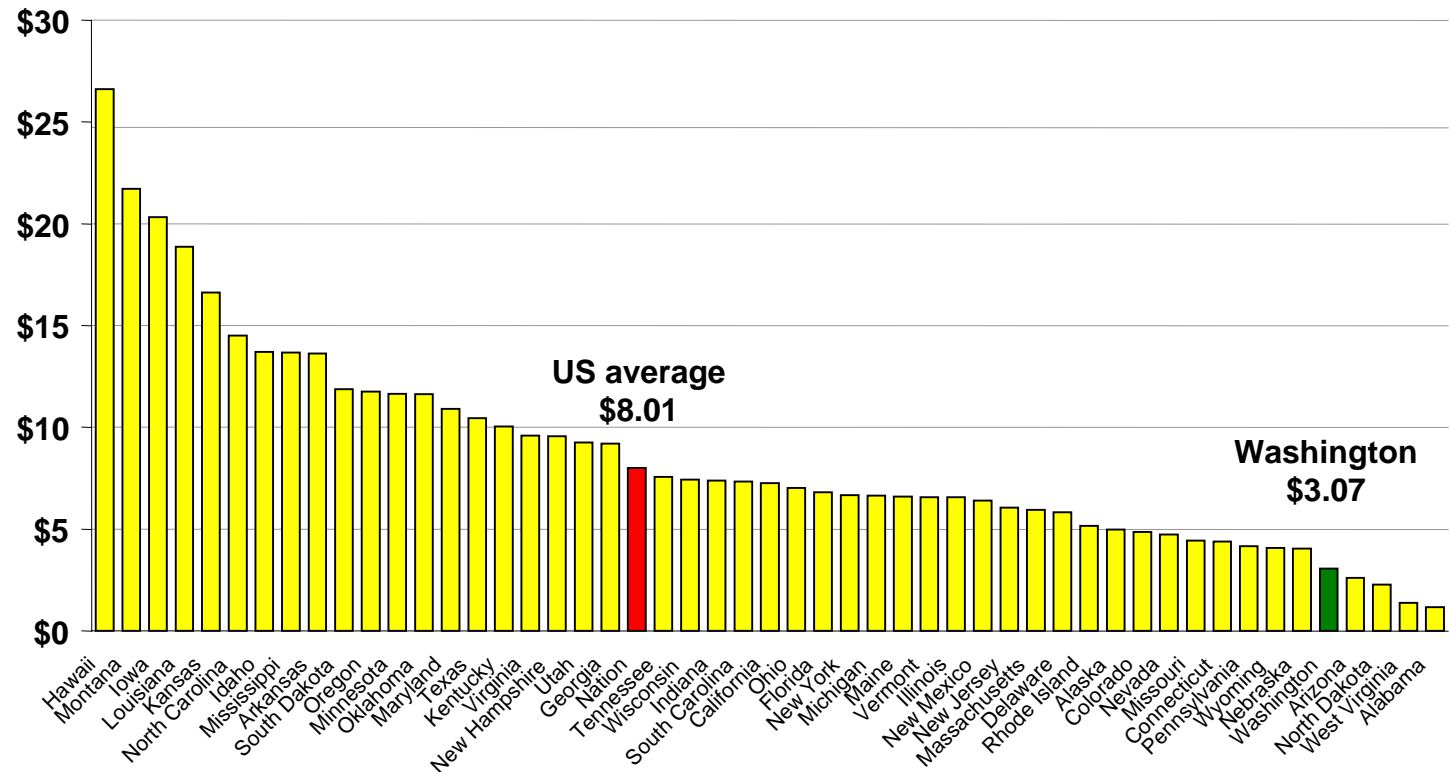
Goal 2 : Respond to the state's economic needs

- **Why is this goal important?**

- Washington is not graduating enough students to fill job openings in many high-demand fields
- If Washington residents don't have the necessary education and training, employers will hire from out of the state, especially for well-paying jobs
- Students who complete job training earn about 10% more than those who do not complete
- State funding for research demonstrates the state's commitment to the knowledge-based economy and serves as 'seed money' for new ventures

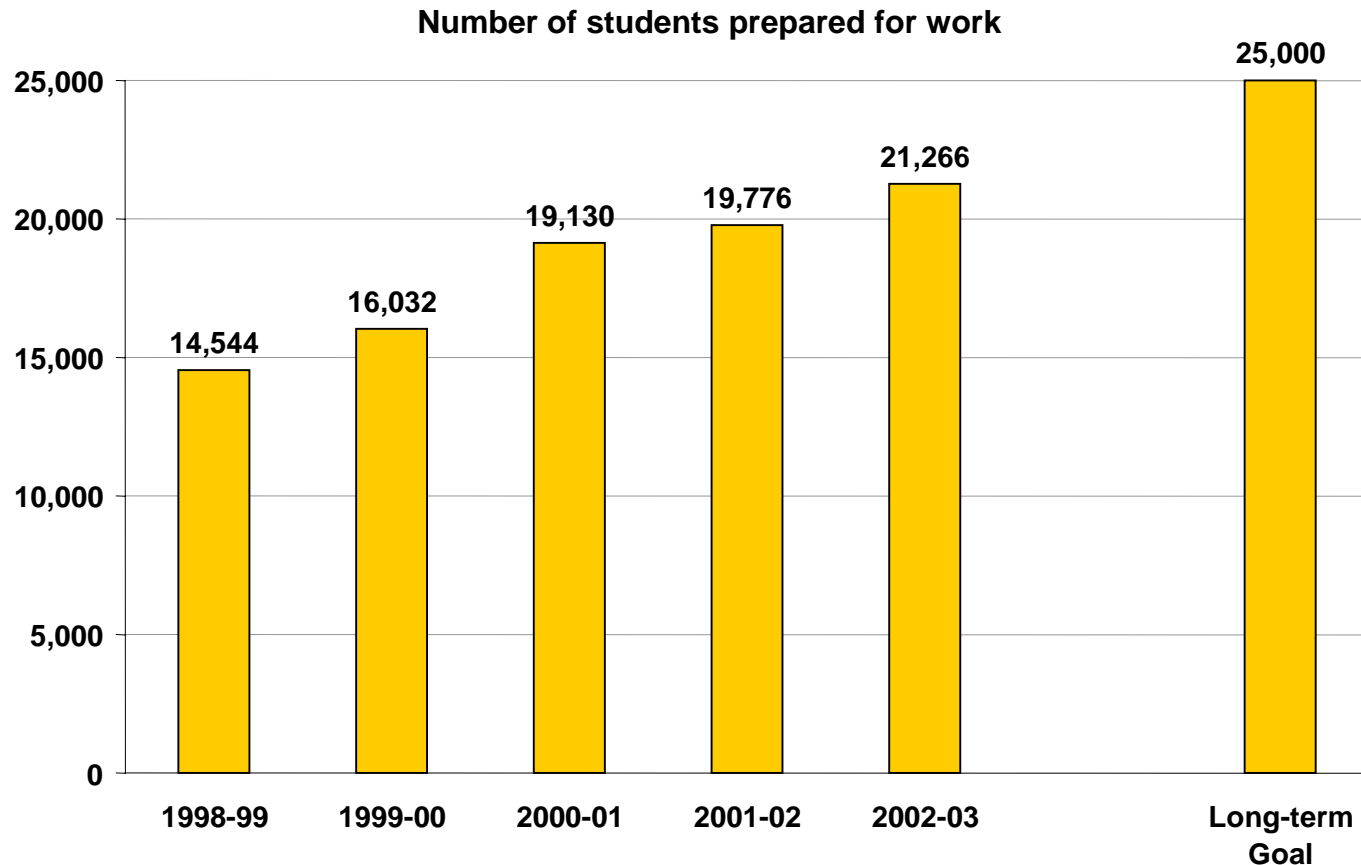
Only four states spend less per person than Washington for higher education research and development

State and local government research and development expenditures per person, 2001

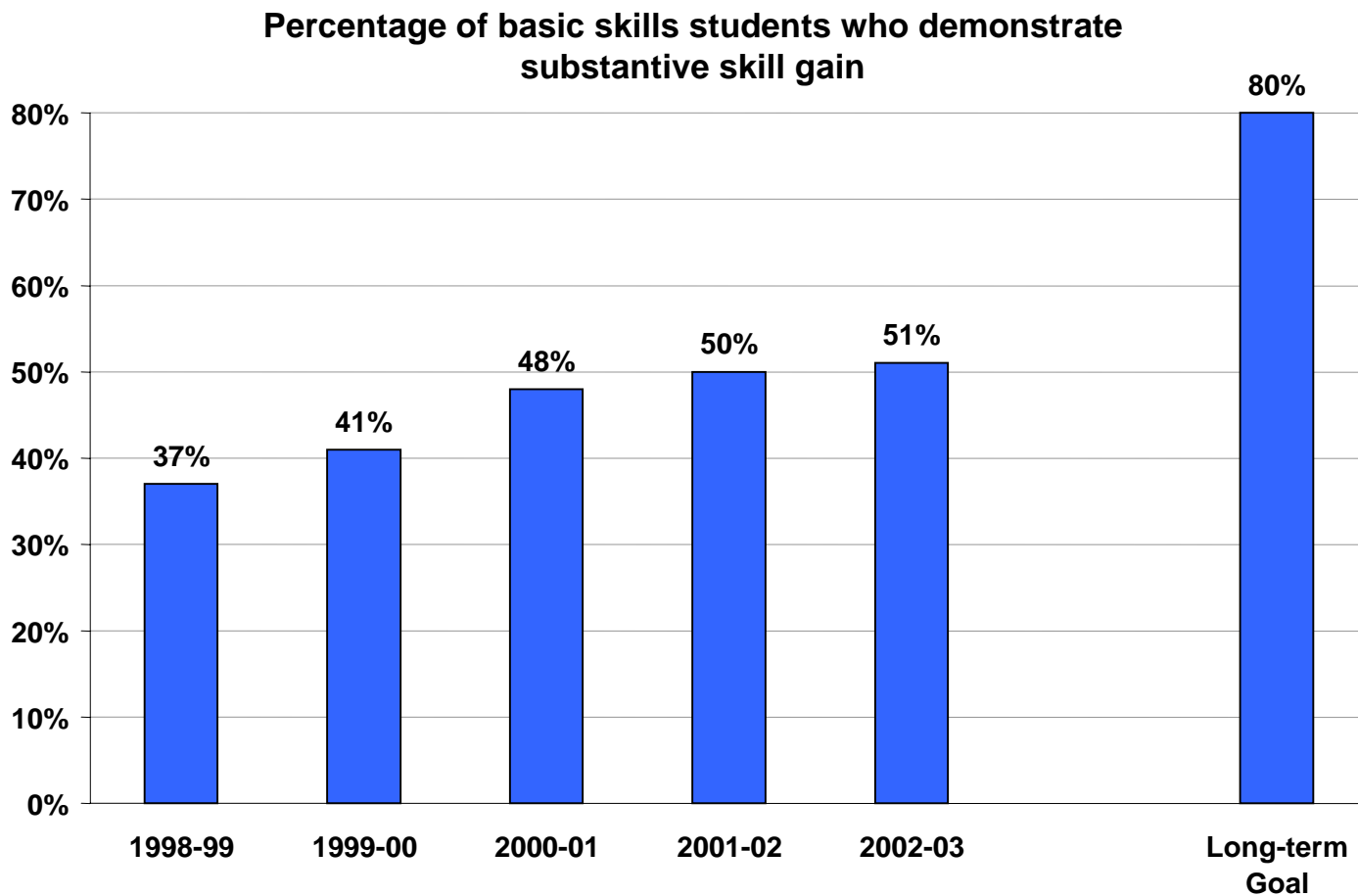


Source: NSF and Census

The two-year college system has a long-term goal of preparing 25,000 students for work each year



Also, the two-year colleges aim to significantly increase the success of adult basic skills students



IV. Strategies to achieve goals

- A. Increase enrollment
- B. Improve educational efficiency
- C. Promote innovation in service delivery
- D. Address funding, tuition and financial aid
- E. Improve higher education's responsiveness to the state's economic needs

Strategy A:

Increase enrollment by 2010 to give more students the opportunity to earn degrees

State funded FTE enrollments (prior to efficiencies):

To reach bachelor's and graduate degree goals	18,900
To reach associate's degree goal	18,000
To reach workforce training goal	<u>8,100</u>
New enrollments to reach goals	45,000

**Note: 33,500 new state-funded FTE are needed
by 2010 to maintain 2002 participation rate**

Strategy B:

Improve educational efficiency to make the most of limited state resources

- Reduce the need for remedial course work in college among recent high school graduates
- Reduce the number of students who graduate with excess credits
- Reduce the number of credits earned by transfer students that do not apply to their bachelor's degrees
- Increase student retention

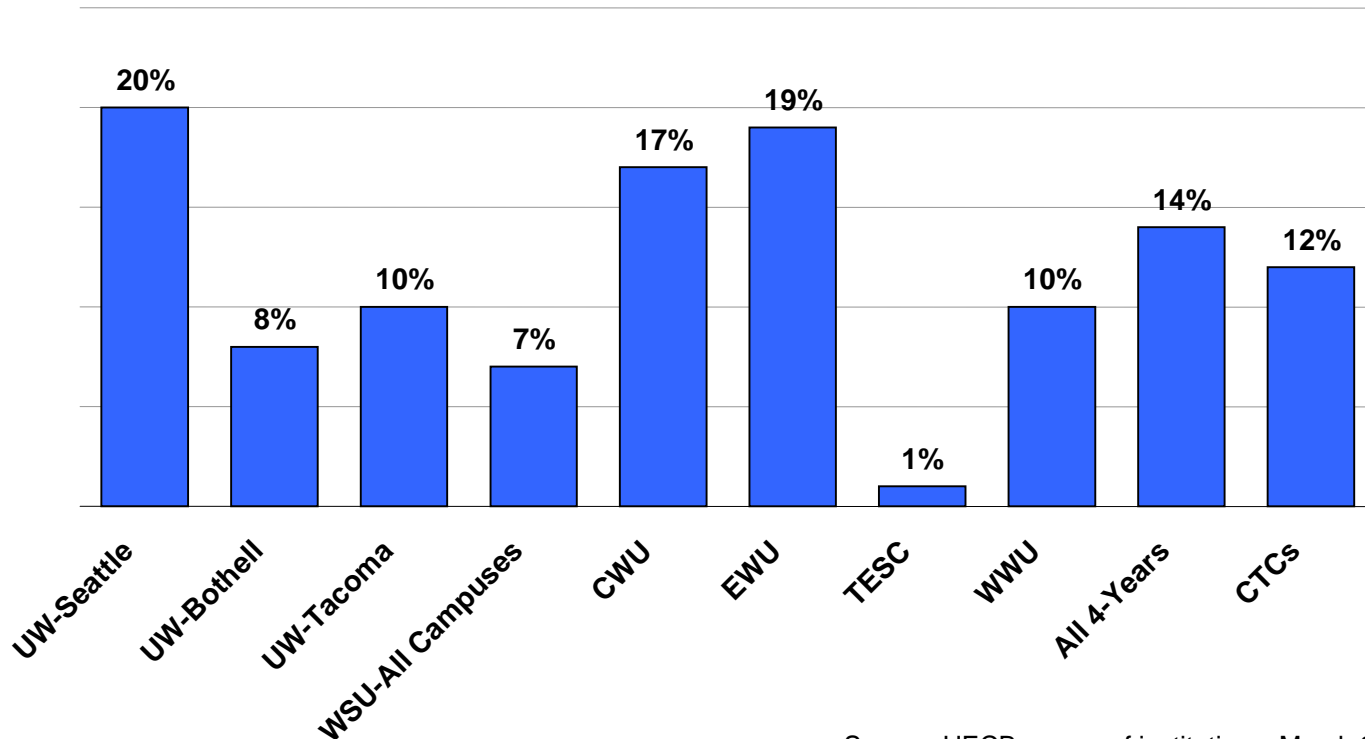
Thousands of high school graduates who go directly to college need remedial instruction before they can do college-level work

- 17,700 students who graduated from Washington high schools in 2001 enrolled directly in two-year and four-year colleges
 - 6,800 required remedial math (39%)
 - 2,800 required remedial English (16%)
 - Totals include 2,100 students who required **both** remedial math and English
 - Of the 10,300 students who enrolled in two-year colleges, 6,200 (60%) required remedial math

Source: Washington State Graduate Follow-up Study, OSPI

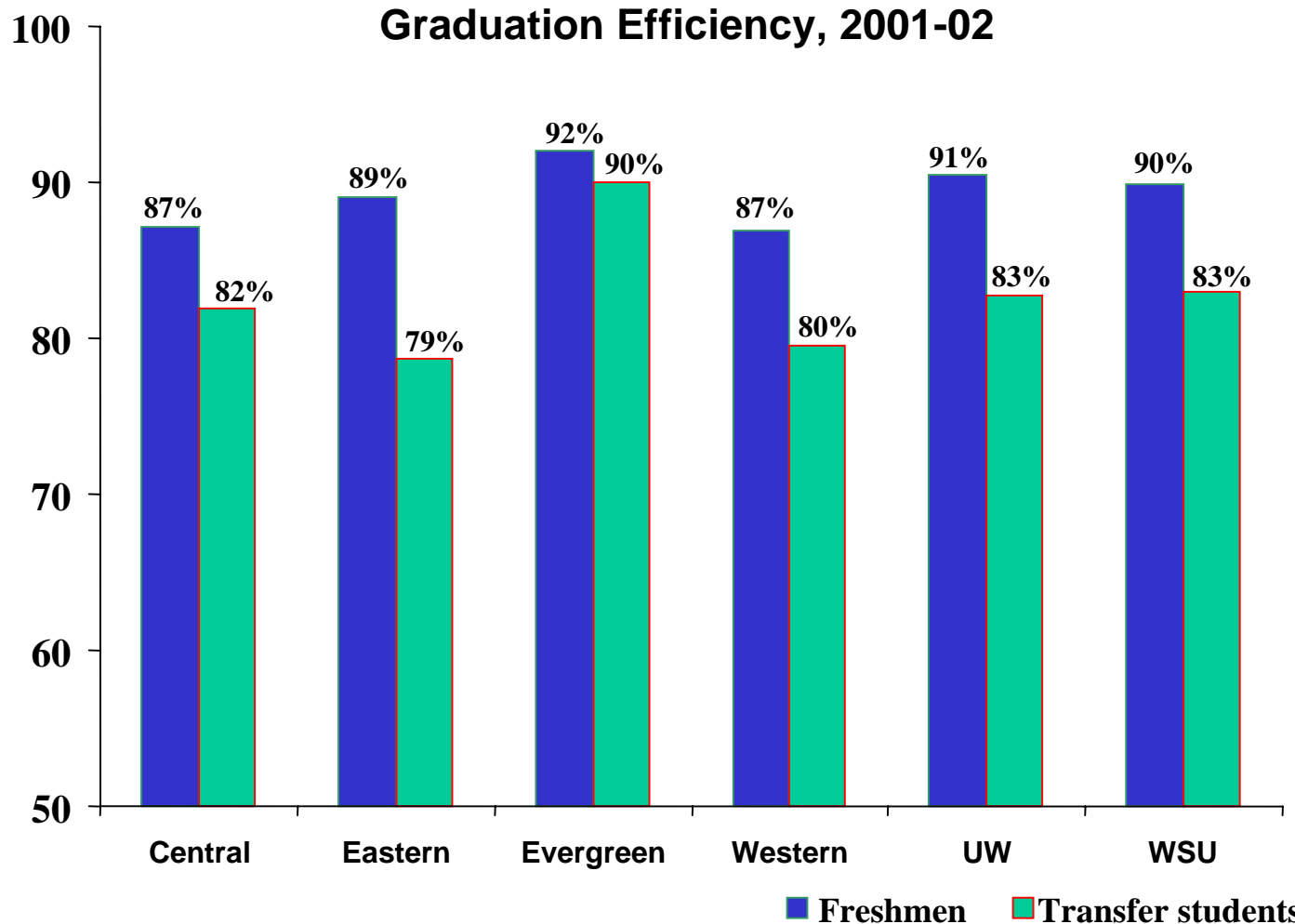
Reducing the number of students who accumulate excess credits would increase the efficiency of public higher education

Percent of graduates who earned more than 125% of the credits required for their degree



Source: HECB survey of institutions, March 2003

Transfer students graduate less efficiently than do students who begin as freshmen at the public four-year colleges



Graduation efficiency reflects the number of credits required for a degree compared with the number attempted by a student. A 100% measure represents 'perfect' efficiency

Source:
HECB 2002
Accountability Update

Strategy C: Promote innovation in service delivery to meet changing regional and state needs

- Identify planning and decision-making models that promote regional collaboration and problem-solving
- As appropriate in each region:
 - Allow branch campuses to offer selected lower-division courses and doctorate degrees, and-or evolve into four-year institutions
 - Allow community colleges to offer selected upper division courses. Also, allow selected colleges to offer four-year degrees and-or evolve into four-year institutions
- Enable comprehensive institutions to offer more bachelor's of applied science degrees
- Allow partnerships of public and private institutions to receive high-demand enrollment funding

Strategy C:

Promote innovation in service delivery

- **Benefits**

- Colleges and universities will work together on a regional basis to improve student success, and will have greater management flexibility to respond to community needs
- Branch campuses will evolve to meet the unique needs of their students and communities
- Community colleges will respond to the need for bachelor's degrees that are not currently offered by four-year universities
- The state will address geographic disparities in students' college attendance, especially at four-year universities

Strategy D: Address funding, tuition and financial aid to preserve and enhance educational quality

- **Funding**

- Fund new enrollments at the average rates for comparable institutions nationwide to help achieve the state's graduation goals, promote quality and eliminate over-enrollment

- **Tuition and financial aid**

- Give colleges unrestricted tuition-setting authority for all students
- Require schools to supplement state grants for low-income students to offset local undergraduate tuition increases
- Fund the State Need Grant to reach HECB goals (65% of median family income, 100% of tuition). Also, maintain the purchasing power of all other state financial aid programs

Strategy D:

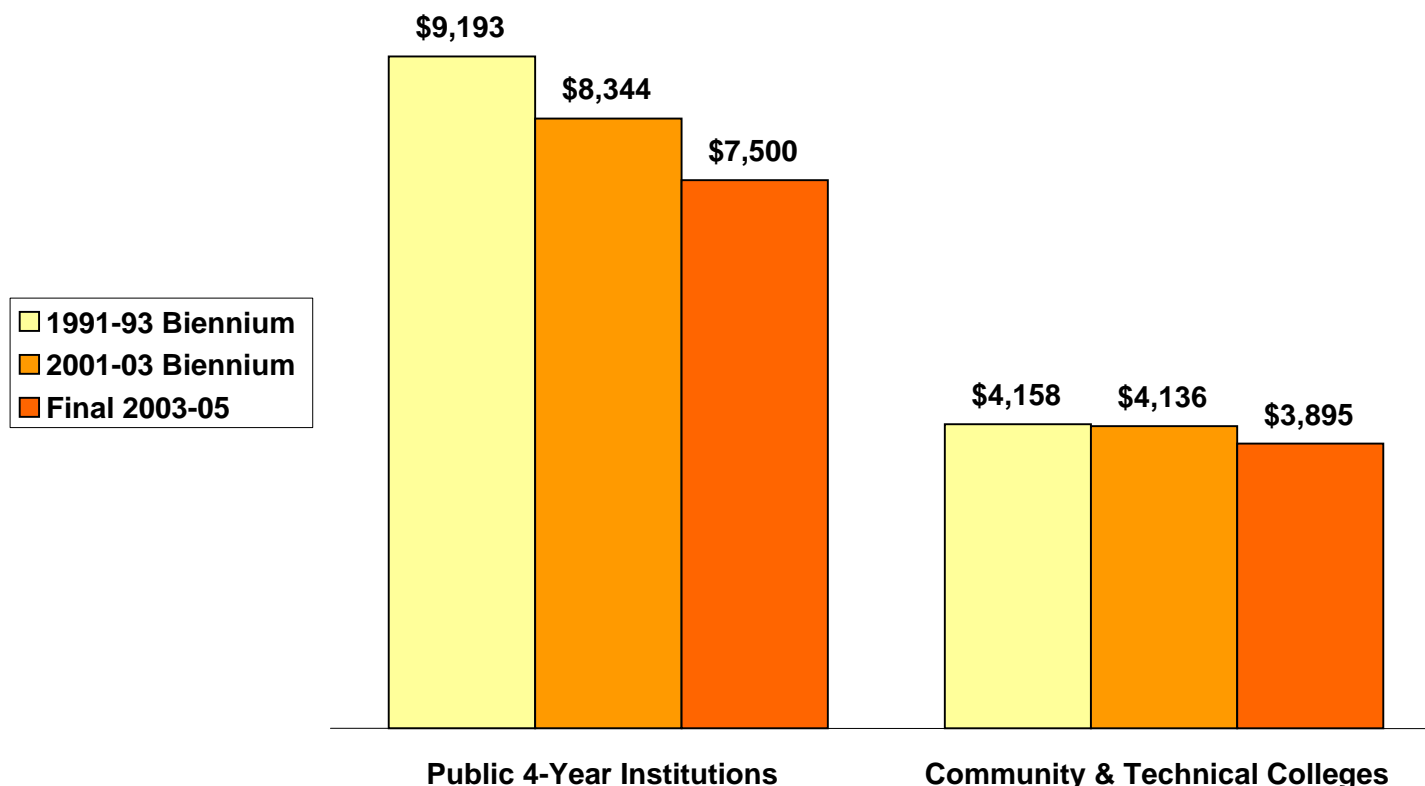
Address funding, tuition and financial aid

- **Benefits**

- Colleges will be able to respond to the need for more graduates, while improving quality and offering programs that meet community needs
- The state will be able to preserve and enhance its strong financial aid system
- Hundreds of additional low-income students will be shielded from the negative impact of large tuition increases

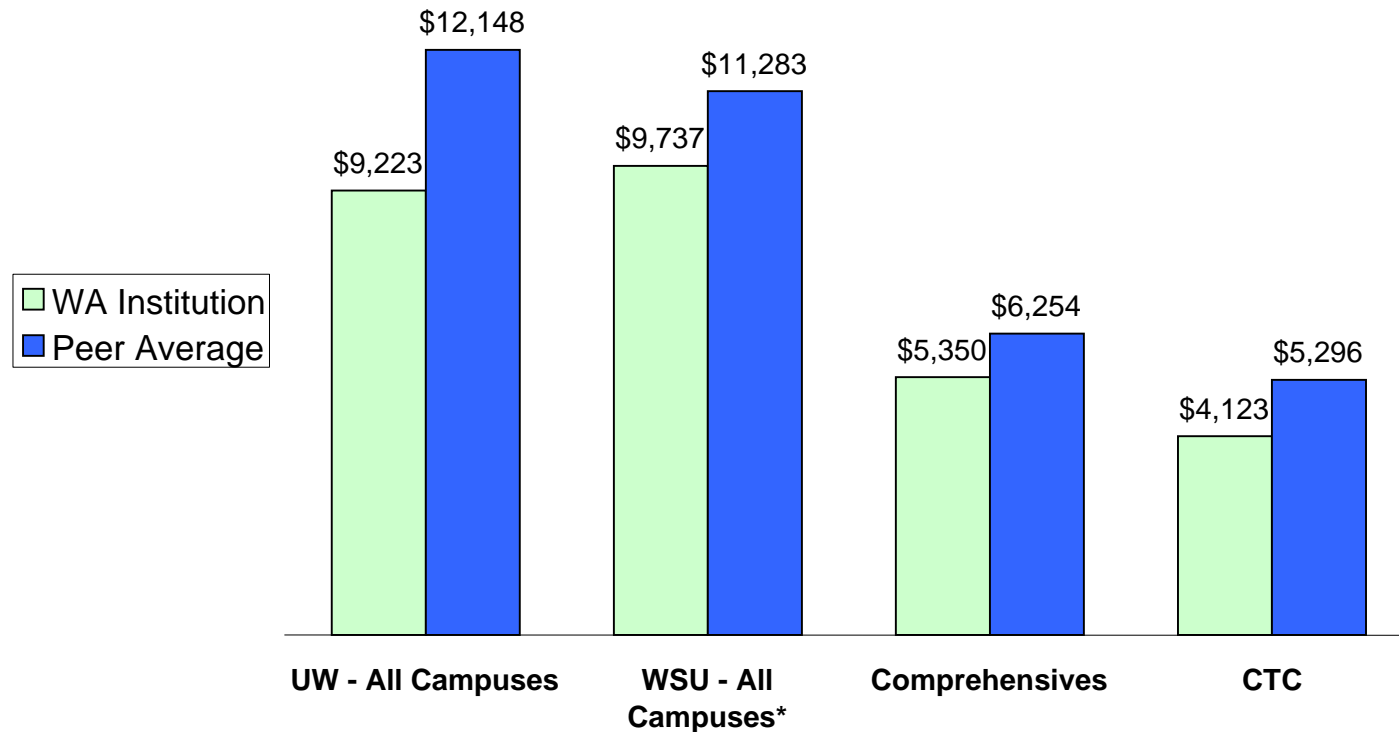
State support per higher education student has declined since the early 1990s and continues to erode in the 2003-05 operating budget

State General Fund Appropriations per Budgeted FTE Student
Adjusted for Inflation (2001-03 dollars)

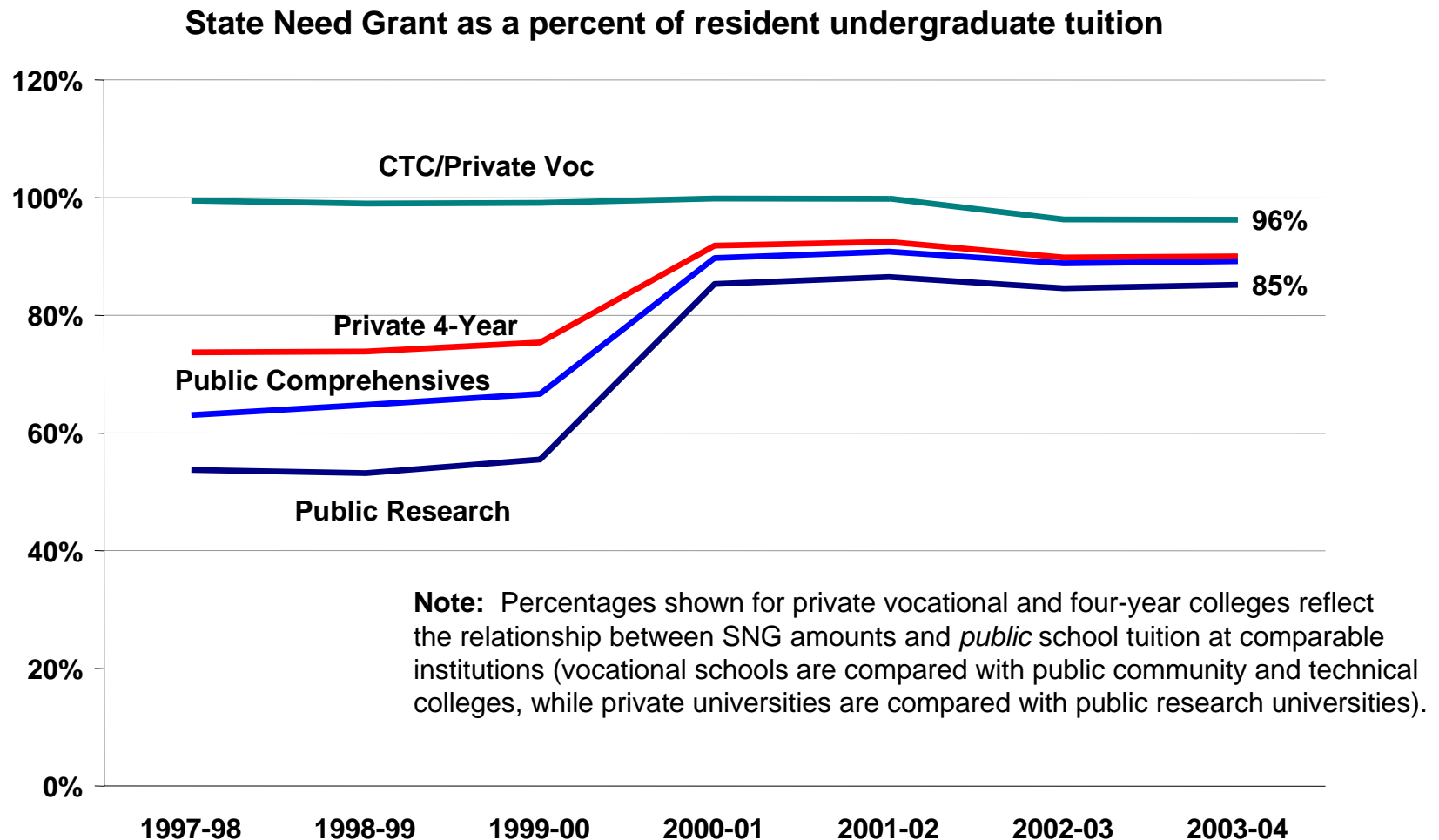


State and local government funding per student in Washington is significantly less than at comparable institutions in other states

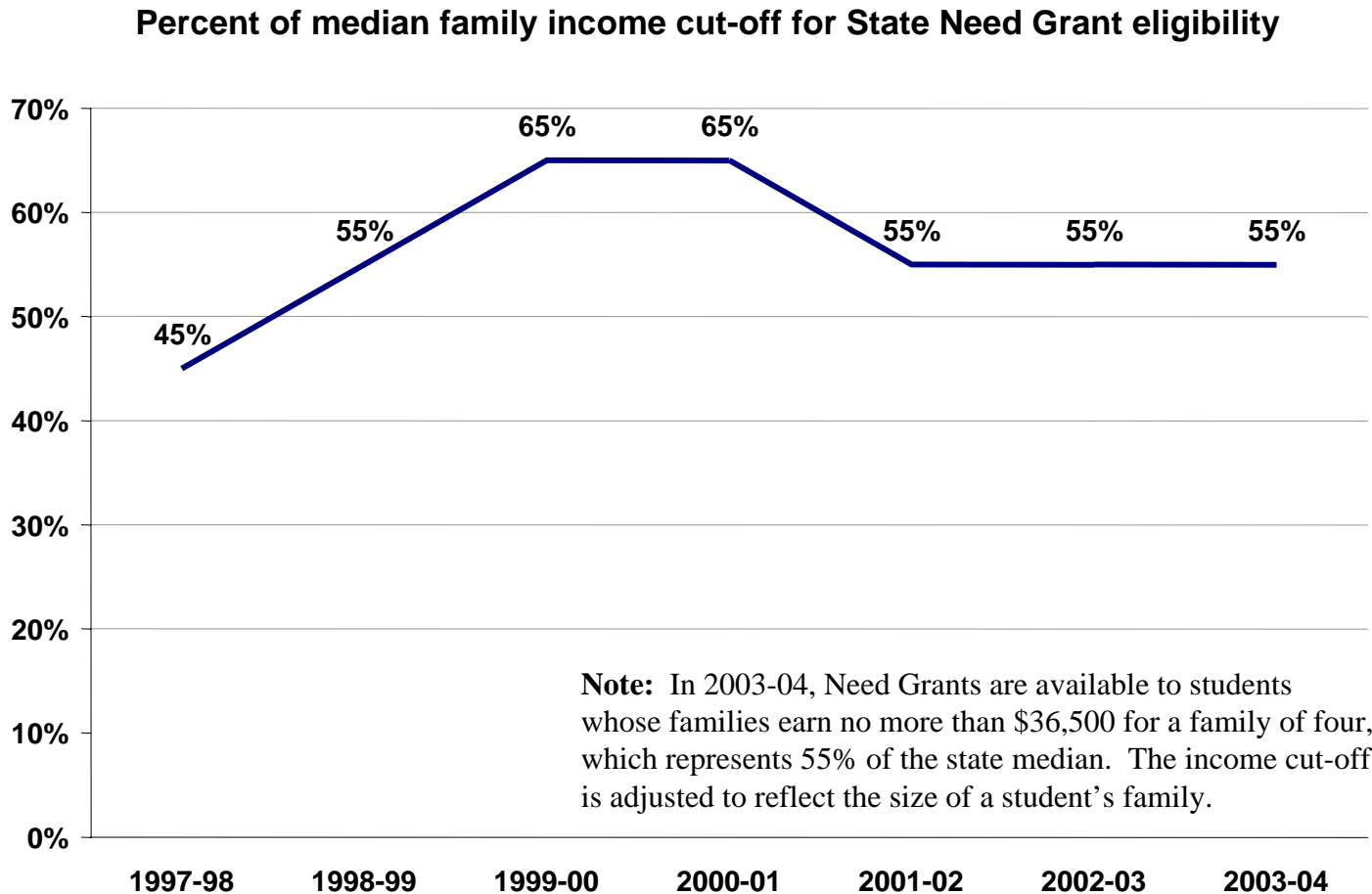
State and Local Government Appropriations per FTE Student
FY 2001



The state's progress toward the goal that State Need Grants to students should equal tuition at public colleges has slowed



State funding has not enabled the HECB to consistently provide Need Grants to students whose family income is up to 65% of the state average



Strategy E: Improve higher education's responsiveness to the state's economic needs

- Create an ongoing program to identify high-demand fields and recognize higher instructional costs
- Dedicate a portion of all new enrollments for high-demand programs, job training and related initiatives
- Increase state research funding to promote new economic ventures
- Support the two-year college system's strategies to increase student success in job training and basic skills
- Develop a new financial aid program to support adults who work full-time and go to college part-time

V. Governance and accountability

- **Role & mission of state higher education boards**
 - The current governance structure does not promote collaboration and poses unnecessary barriers to change
 - The three state higher education boards (HECB, SBCTC, WTECB) should be consolidated into one state governing board
 - The new board should work with K-12 leaders to reinforce and enhance the effectiveness of K-12 reform
 - Local boards of regents and trustees should remain in place

V. Governance and accountability

- **Role & mission of colleges and universities**
 - Examine the state's relationship with its public colleges and universities in order to establish clear goals and expectations
- **Accountability**
 - Use benchmarks and performance indicators to effectively measure results
 - Develop performance contracts for the state and higher education institutions per House Bill 2111
 - Strengthen and improve the consistency of higher education data systems
 - Develop means of determining the cost of college degrees in specific fields